



A BILL FOR AN ORDINANCE

RELATING TO VALUATION OF SOLAR ENERGY AND SOLAR WATER HEATING IMPROVEMENTS FOR REAL PROPERTY TAX PURPOSES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to specify that the value of solar powered energy improvements and solar powered water heating improvements are not assessed for real property taxation purposes.

SECTION 2. Section 8-1.2, Revised Ordinances of Honolulu 1990, as amended, is amended by amending the definition of "Property" or "real property" to read as follows:

""Property" or "real property" means and includes all land and appurtenances thereof and the buildings, structures, fences and improvements erected on or affixed to the same, and any fixture which is erected on or affixed to such land, buildings, structures, fences and improvements, including all machinery and other mechanical or other allied equipment and the foundations thereof, whose use thereof is necessary to the utility of such land, buildings, structures, fences and improvements, or whose removal therefrom cannot be accomplished without substantial damage to such land, buildings, structures, fences and improvements, excluding, however, any growing crops and any improvement that produces energy from solar energy or heats water using solar energy."

SECTION 3. Section 8-10.15, Revised Ordinances of Honolulu 1990 ("Exemption—Alternate energy improvements"), as amended, is amended by amending subsections (b) and (c) to read as follows:

"(b) As used in this section "alternate energy improvement" means any construction or addition, alteration, modification, improvement or repair work undertaken upon or made to any building, property or land which results in:

- (1) The production of energy from a source, or uses a process which does not use fossil fuels, nuclear fuels or geothermal source. Such energy source may include, but shall not be limited to, solid wastes, wind[, solar] or ocean waves, tides or currents; or
- (2) An increased level of efficiency in the utilization of energy produced by fossil fuels or in the utilization of secondary forms of energy dependent upon fossil fuels for its generation.



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- (c) Application for the exemption provided by this section shall be made with the director on or before September 30th, preceding the tax year for which the exemption is claimed[, except that no]. Because they have been excluded from the definition of "property," and are therefore not assessed, no claim [need] may be filed for the exemption of [solar water collectors, heaters, heat pumps and similar devices] any improvement that produces energy from solar energy or heats water using solar energy. The director may require the taxpayer to furnish reasonable information in order that the director may ascertain the validity of the claim for exemption."

SECTION 4. Ordinance material to be repealed is bracketed. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the revisor of ordinances need not include the brackets, the bracketed material or the underscoring.



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____

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SECTION 5. This ordinance takes effect upon its approval and applies to the tax years beginning July 1, 2016 and thereafter.

INTRODUCED BY:

Ann Kikayashi

DATE OF INTRODUCTION:

APR 15 2015

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 2015.

KIRK CALDWELL, Mayor
City and County of Honolulu